

Market Analysis: Electronic Copy Without Maps

for

**Morgan's Station
Family Tax Credit (Sec. 42) Apartments**

in

**Metter, Georgia
Candler County**

by

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1 FOREWORD

1.1 STATEMENT OF QUALIFICATIONS

John Wall and Associates (the Anderson office) has done over 2,000 market analyses, the majority of these being for apartment projects (conventional and government). However, the firm has done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis and GIS projects. Clients include private developers, government officials, syndicators, and lending institutions.

Prior to founding John Wall and Associates, Mr. Wall was the Planning Director for a city of 30,000 where he supervised the work of the Planning Department, including coordinating the activities of and making presentations to both the Planning and Zoning Commission and the Zoning Board of Adjustment and Appeals. His duties included site plan approval, subdivision review, annexation, downtown revitalization, land use mapping program, and negotiation of realistic, workable solutions with various groups.

While in the public and private sectors, Mr. Wall served on the Appalachian Regional Council of Governments Planning and Economic Development Committee for more than seven years.

Mr. Wall has also taught site analysis and site planning part-time at the graduate level for several semesters as a visiting professor at Clemson University College of Architecture, Planning Department.

Mr. Wall holds a Master's degree in City and Regional Planning and a BS degree in Pre-Architecture. In addition, he has studied at the Clemson College of Architecture Center for Building Research and Urban Studies at Genoa, Italy, and at Harvard University in the Management of Planning and Design Firms, Real Estate Finance, and Real Estate Development.

1.2 RELEASE OF INFORMATION

This report shall not be released by John Wall and Associates to persons other than the client and his/her designates for a period of at least sixty (60) days. Other arrangements can be made upon the client's request.

1.3 TRUTH AND ACCURACY

It is hereby attested to that the information contained in this report is true and accurate. The report was written according to DCA's market study requirements and can be relied upon by DCA as a true assessment of the low income housing rental market. However, no assumption of liability is being made or implied.

1.4 IDENTITY OF INTEREST

The market analyst will receive no fees contingent upon approval of the project by any agency or lending institution, before or after the fact, and the market analyst will have no interest in the housing project.

1.5 CERTIFICATION OF PHYSICAL INSPECTION

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full assessment of the need and demand for new rental units.

Submitted and attested to by:

John Wall, President

JOHN WALL and ASSOCIATES

Date

2 TABLE OF CONTENTS

1	FOREWORD	2
1.1	STATEMENT OF QUALIFICATIONS	2
1.2	RELEASE OF INFORMATION	2
1.3	TRUTH AND ACCURACY	2
1.4	IDENTITY OF INTEREST	2
1.5	CERTIFICATION OF PHYSICAL INSPECTION	2
2	TABLE OF CONTENTS	3
2.1	TABLE OF TABLES	3
3	INTRODUCTION	4
3.1	PURPOSE	4
3.2	SCOPE	4
3.3	METHODOLOGY	4
4	EXECUTIVE SUMMARY	5
4.1	DEMAND	5
4.2	ABSORPTION	5
4.3	CAPTURE RATE	5
4.4	CONCLUSIONS AND RECOMMENDATIONS	6
5	PROJECT DESCRIPTION	8
5.1	DEVELOPMENT LOCATION	8
5.2	CONSTRUCTION TYPE	8
5.3	OCCUPANCY	8
5.4	TARGET INCOME GROUP	8
5.5	SPECIAL POPULATION	8
5.6	STRUCTURE TYPE	8
5.7	UNITS SIZES, RENTS AND TARGETING	8
5.8	DEVELOPMENT AMENITIES	8
5.9	UNIT AMENITIES	9
5.10	UTILITIES INCLUDED	9
5.11	PROJECTED PLACED IN SERVICE DATE	9
6	SITE EVALUATION	10
6.1	VISIBILITY AND CURB APPEAL	10
6.2	PHYSICAL CONDITIONS	10
6.3	ADJACENT LAND USES	10
6.4	VIEWS	10
6.5	NEIGHBORHOOD	10
6.6	SHOPPING, GOODS, SERVICES AND AMENITIES	10
6.7	EMPLOYMENT OPPORTUNITIES	10
6.8	TRANSPORTATION	10
6.9	CONCLUSION	10
6.10	SITE PHOTOS	11
6.11	NEIGHBORHOOD PHOTOS	13
7	MARKET AREA	15
7.1	MARKET AREA DETERMINATION	15
7.2	DRIVING TIMES AND PLACE OF WORK	15
7.3	MARKET AREA DEFINITION	15
8	COMMUNITY DEMOGRAPHIC DATA	16
8.1	POPULATION	16
8.2	HOUSEHOLDS	17
9	MARKET AREA ECONOMY	20
9.1	MAJOR EMPLOYERS	20
9.2	NEW OR PLANNED CHANGES IN WORKFORCE	20
9.3	EMPLOYMENT (CIVILIAN LABOR FORCE)	20
9.4	ECONOMIC SUMMARY	21
10	PROJECT SPECIFIC DEMAND ANALYSIS	22
10.1	INCOME RESTRICTIONS AND AFFORDABILITY	22
10.2	DEMAND	26
11	SUMMARY OF DEMAND	30
12	SUPPLY ANALYSIS (INCLUDING COMPARABLE RENTAL DEVELOPMENTS)	31
12.1	RENTS AT BASE YEAR	31
12.2	BUILDING PERMITS ISSUED	32
12.3	APARTMENT UNITS BUILT SINCE 2000 OR PROPOSED	32
12.4	SCHEDULE OF PRESENT RENTS AND VACANCIES	32

12.5	IMPACT OF THE SUBJECT ON EXISTING SUPPLY	33
13	INTERVIEWS	34
14	CONCLUSIONS AND RECOMMENDATIONS	35
14.1	PASS/FAIL DETERMINATION	35
15	REQUIRED SIGNED STATEMENT	36
16	JOHN WALL — RÉSUMÉ	37
17	STATEMENT OF QUALIFICATIONS	38

2.1 TABLE OF TABLES

\$9,257 to \$13,650 Income Range (30% AMI)	5
\$14,983 to \$22,800 Income Range (50% AMI)	5
\$18,069 to \$27,350 Income Range (60% AMI)	6
\$9,250 to \$27,350 Income Range (Overall Tax Credit)	6
\$28,320 to \$36,000 Income Range (Market Rate)	6
Workers' Travel Time to Work for the Market Area (Time in Minutes)	15
Place of Work—State and County Level By Place of Residence	15
Population Trends and Projections	16
Persons by Age in 1990	16
Persons by Age in 2000	16
Percent Change from 1990 to 2000 by Age Group	16
Race and Hispanic Origin in 1990	16
Race and Hispanic Origin in 2000	17
Comparison of Persons by Minority Status	17
Comparison of Persons by Sex	17
Total Households and Persons per Housing Unit in 1990 and 2000	17
Household Trends and Projections for the Market Area	18
Occupied Housing Units by Tenure 1990	18
Occupied Housing Units by Tenure 2000	18
Rental Housing Units by Persons in Unit 1990	18
Owner Housing Units by Persons in Unit 1990	18
Rental Housing Units by Persons in Unit 2000	19
Owner Housing Units by Persons in Unit 2000	19
Number of Households in Various Income Ranges	19
Employed Persons Age 16 Years And Over	20
Employment Trends	21
Maximum Income Limit (HUD 2002)	23
Minimum Incomes Required and Gross Rents	23
Qualifying Income Ranges by Bedrooms and Persons Per Household	24
Qualifying and Proposed Rent and Income Summary	24
Number of Specified Households in Various Income Ranges by Tenure	25
Portion of Renter Households in Appropriate Income Ranges	26
Percentage of Income Paid For Rent (Renter Households in Specified Housing Units)	27
Owner-Occupied Housing Units by Plumbing Facilities and Persons per Room	28
Renter-Occupied Housing Units by Plumbing Facilities and Persons per Room	28
Percent Substandard Occupied Units (Renter and Owner)	28
Vacancy Rates	28
Renter-Occupied Housing Units by Contract Rent	31
Housing Units Occupied Year-Round By Tenure and Units in Structure	31
Building Permits Issued	32
Apartment Units Built Since 2000 or Proposed	32
Schedule of Rents, Number of Units and Vacancies for <i>Rent-Assisted</i> Apartment Units	32
Schedule of Rents, Number of Units and Vacancies for <i>Unassisted</i> Apartment Units	33

3 INTRODUCTION

3.1 PURPOSE

The purpose of this report is to analyze the apartment market in Metter, Georgia, which is currently being considered as a site for conventional apartments under tax credit guidelines.

3.2 SCOPE

Considered in this report are market depth, bedroom mix, rental rates, unit size, and amenities. These items are investigated principally through a field survey conducted by John Wall and Associates. Unless otherwise noted, all charts and statistics are the result of this survey.

In general, only complexes of 30 units or more built since 1980 are considered in the field survey. Older or smaller projects are sometimes surveyed when it helps the analysis. Projects with rent subsidized units were included, if relevant, and noted.

3.3 METHODOLOGY

Three separate approaches to the analysis are used in this report; each is a check on the other. By using three generally accepted approaches, reasonable

conclusions can be drawn. The three approaches used are:

- (1) Statistical
- (2) Like Kind Comparison
- (3) Interviews

The Statistical approach uses 1990 and 2000 Census and local statistics; 2000 is used as a base year. The population that would qualify for the proposed units is obtained from these figures.

The Like Kind Comparison approach collects data on projects similar in nature to that which is being proposed and analyzes how they are doing. This approach assesses their strong points as well as weak points and compares them with the subject.

The last section, Interviews, assesses key individuals' special knowledge about the market area. While certainly subjective and limited in perspective, their collective knowledge, gathered and assessed, can offer valuable information.

Taken individually, these three approaches give a somewhat restricted view of the market. However, by examining them together, knowledge sufficient to draw reasonable conclusions can be achieved.

4 EXECUTIVE SUMMARY

The projected completion date of the proposed project is 2004.

The market area (conservative) consists of 100% of (2000) Census Tracts 9501 and 9502, and 71% of (2000) Census Tract 9503 in Candler County.

4.1 DEMAND

	Housholds at 30% AMI \$9,257 to \$13,650	Housholds at 50% AMI \$14,983 to \$22,800	Housholds at 60% AMI \$18,069 to \$27,350	Overall tax credit demand \$9,250 to \$27,350	Market Rate \$28,320 to \$36,000
DEMAND	70	21	17	114	8
Less comparable units built since 2000 or proposed by 2004	0	0	0	0	0
NET DEMAND	70	21	17	114	8
Recommended bedroom mix:					
One Bedroom	30%	30%	30%	35%	30%
Two Bedroom	55%	55%	55%	55%	55%
Three Bedroom	15%	15%	15%	10%	15%
Four Bedroom	—	—	—	—	—

4.2 ABSORPTION

Given reasonable marketing and management, the project should be able to rent up to 93% occupancy within N/A months; a few months longer if the project is completed in November, December, or January. The absorption rate determination considers such factors as the overall estimate of new household growth, the available supply of competitive units, observed trends in absorption of comparable units, and the availability of subsidies and rent specials. The absorption period is considered to start as soon as the first units are released for occupancy.

4.3 CAPTURE RATE

\$9,257 to \$13,650 Income Range (30% AMI)

	<u>Demand Number</u>	<u>%</u>	<u>Developer's Proposal</u>	<u>Capture Rate</u>
1 Bedroom	21	30	0	—
2 Bedrooms	39	55	3	7.7%
3 Bedrooms	11	15	2	18.2%
4 or More Bedrooms	—	—	0	—
Total	70	100	5	7.1%

\$14,983 to \$22,800 Income Range (50% AMI)

	<u>Demand Number</u>	<u>%</u>	<u>Developer's Proposal</u>	<u>Capture Rate</u>
1 Bedroom	6	30	0	—
2 Bedrooms	12	55	10	83.3%
3 Bedrooms	3	15	10	333.3%
4 or More Bedrooms	—	—	0	—
Total	21	100	20	95.2%

\$18,069 to \$27,350 Income Range (60% AMI)

	<u>Demand</u>		<u>Developer's</u>	<u>Capture</u>
	<u>Number</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1 Bedroom	5	30	0	—
2 Bedrooms	9	55	9	100.0%
3 Bedrooms	3	15	9	300.0%
4 or More Bedrooms	—	—	0	—
Total	17	100	18	105.9%

\$9,250 to \$27,350 Income Range (Overall Tax Credit)

	<u>Demand</u>		<u>Developer's</u>	<u>Capture</u>
	<u>Number</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1 Bedroom	34	30	0	—
2 Bedrooms	63	55	24	38.1%
3 Bedrooms	17	15	24	141.2%
4 or More Bedrooms	—	—	0	—
Total	114	100	48	42.1%

\$28,320 to \$36,000 Income Range (Market Rate)

	<u>Demand</u>		<u>Developer's</u>	<u>Capture</u>
	<u>Number</u>	<u>%</u>	<u>Proposal</u>	<u>Rate</u>
1 Bedroom	3	35	0	—
2 Bedrooms	4	55	2	50.0%
3 Bedrooms	1	10	2	200.0%
4 or More Bedrooms	—	—	0	—
Total	8	100	4	50.0%

4.4 CONCLUSIONS AND RECOMMENDATIONS

4.4.1 CONCLUSIONS

- The **site** appears less than suitable for the project.
- The **neighborhood** is compatible with the project.
- The **location** is less than desirable.
- The **economy** has been good and continues to improve.
- The **population and household growth** in the market area is about the same as the state.
- The **capture rate** for the project is somewhat high at 42.1%.
- Total **vacancy rates** at competitive projects are 0.0%. This represents only 6 units.
- **Concessions** in the comparables are non-existent.
- Nearly all the **rents** are the highest in the market. Vouchers are unlikely to be used for the market rate units because the two bedroom units are \$238 and the three bedroom units are \$142 *above* the payment standard.
- The proposed **bedroom mix** is weighted heavily toward three bedroom units.
- The subject's **amenities** are good and superior to other apartments.
- The subject's **value** should be perceived as reasonable.
- The subject's **affordability** is good but will be perceived as expensive in the market.
- Of those **interviewed**, opinions varied.

4.4.2 PASS/FAIL DETERMINATION☐ Pass☒ Fail**4.4.3 RECOMMENDATIONS**

- Reduce the number of units.
- Eliminate the market rate units.
- Reduce the 60% rents.
- Greatly reduce the number of three bedroom units.

4.4.4 NOTES

5 PROJECT DESCRIPTION

The project description is provided by the developer.

5.1 DEVELOPMENT LOCATION

The site is on the northeast side of Metter, Georgia. It is located on the north side of Martin Luther King, Jr. Boulevard, near Maxie Street. It is in Census Tract 9501 in Candler County.

5.2 CONSTRUCTION TYPE

New construction.

5.3 OCCUPANCY

Family.

5.4 TARGET INCOME GROUP

Low Income and Market Rate.

5.5 SPECIAL POPULATION

None.

5.6 STRUCTURE TYPE

Townhouses.

5.7 UNITS SIZES, RENTS AND TARGETING

<u>Number</u>	<u>Bedrooms</u>	<u>Baths</u>	<u>Square Ft</u>	<u>Rent / Mo.</u>	<u>Utility Allowance</u>	<u>Percent Median</u>
3	2	1.5	937	198	72	30%
10	2	1.5	937	365	72	50%
9	2	1.5	937	455	72	60%
2	2	1.5	937	636	72	Mkt.
1	3	2	1,080	223	89	30%
1	3	2	1,251	223	89	30%
9	3	2	1,080	418	89	50%
1	3	2	1,251	418	89	50%
7	3	2	1,080	522	89	60%
2	3	2	1,251	522	89	60%
1	3	2	1,080	661	89	Mkt.
2*	3	2	1,251	661	89	Mkt.

48 Total units

0 Units with rental assistance

43 Units with tax credit

* One of these units is the manager's unit

5.8 DEVELOPMENT AMENITIES

Community building with multi-purpose room for services with a large covered porch, playground, laundry room, walking path with sitting areas, exercise/fitness center, tot lot, computer lab, large open playing field (5,000 sq. ft+), and covered pavilion with picnic/BBQ facilities.

5.9 UNIT AMENITIES

Air conditioning, washer/dryer connections, dishwasher, garbage disposal, cable pre-wired, and covered rear patios.

5.10 UTILITIES INCLUDED

Water & sewer, trash.

5.11 PROJECTED PLACED IN SERVICE DATE

2004

6 SITE EVALUATION

6.1 VISIBILITY AND CURB APPEAL

The site has a lot of frontage on Martin Luther King Jr. Boulevard. Currently, the bridge is out on MLK, thus there is little traffic past the site.

6.2 PHYSICAL CONDITIONS

The site is basically flat and covered with trees.

6.3 ADJACENT LAND USES

N: Field and woods.

E: Woods, yard, home, power substation.

S: Power substation.

W: Woods.

6.4 VIEWS

The views of the power substations are negative.

6.5 NEIGHBORHOOD

The neighborhood is comprised of a farm, undeveloped land, homes, trailer parks, and power substations.

6.6 SHOPPING, GOODS, SERVICES AND AMENITIES

Shopping is located in the downtown area, about one mile from the site. The elementary school is fairly close.

6.7 EMPLOYMENT OPPORTUNITIES

There are no employment opportunities within walking distance of the site. There are some jobs in Metter. See the economic section of this report.

6.8 TRANSPORTATION

The site is located on Martin Luther King, Jr. Boulevard (Candler County Road 223) in the northeastern part of Metter. This road provides easy access southward into the center of Metter, where there are also several major crossroads for the area.

While there is no bus service or any other mass transit system in Metter, there are some individual cabs that operate in town.

6.9 CONCLUSION

If the proposed apartments are built they will experience some difficulties due to their location.

6.10 SITE PHOTOS



Site Photo 1



Site Photo 2



Site Photo 3



Site Photo 4

6.11 NEIGHBORHOOD PHOTOS



Neighborhood Photo 1



Neighborhood Photo 2



Neighborhood Photo 3



Neighborhood Photo 4

7 MARKET AREA

7.1 MARKET AREA DETERMINATION

The market area is the community where the project will be located and only those outlying rural areas that will be significantly impacted by the project, generally excluding other significant established communities. The market area is considered to be the area from which most of the prospective tenants will be drawn. Some people will move into the market area from nearby towns, while others will move away. These households are accounted for in the “Household Trends” section. The border of the market area is based on travel time, commuting patterns, the gravity model, physical boundaries, and the distribution of renters in the area. The analyst visits the area before the market area definition is finalized.

7.2 DRIVING TIMES AND PLACE OF WORK

Commuter time to work is shown below:

Workers' Travel Time to Work for the Market Area (Time in Minutes)

<u>Category</u>	<u>Persons</u>	<u>Percent</u>
Less than 5 minutes	205	7.0
5 to 9 minutes	721	24.6
10 to 14 minutes	423	14.4
15 to 19 minutes	468	16.0
20 to 24 minutes	317	10.8
25 to 29 minutes	114	3.9
30 to 34 minutes	223	7.6
35 to 39 minutes	69	2.4
40 to 44 minutes	52	1.8
45 to 59 minutes	191	6.5
60 to 89 minutes	137	4.7
90 or more minutes	13	0.4

Source: 1990 Census

The following table shows the number of persons who work in the county in which they reside.

Place of Work—State and County Level By Place of Residence

	<u>inside</u> <u>county</u>	<u>%</u>	<u>outside</u> <u>county</u>	<u>%</u>	<u>outside</u> <u>state</u>	<u>%</u>
Georgia	1,935,479	62.3	1,094,510	35.2	76,404	2.5
Candler County	2,084	64.5	1,135	35.1	13	0.4
Market Area	1,976	64.8	1,059	34.7	13	0.4
Metter city	964	68.0	448	31.6	5	0.4

Source: 1990 Census

7.3 MARKET AREA DEFINITION

The market area for this report has been defined as 100% of (2000) Census Tracts 9501 and 9502, and 71% of (2000) Census Tract 9503 in Candler County. The market area is defined in terms of standard US Census geography so it will be possible to obtain accurate, verifiable information about it. The Market Area Map highlights this area.

The distance from the site to the edge of the market area varies from 3 to 12 miles, with an average of about 8 miles. See the Site Location Map.

8 COMMUNITY DEMOGRAPHIC DATA

8.1 POPULATION

8.1.1 POPULATION TRENDS

Housing demand is most closely associated with population trends. While no population projection presently exists for the market area, one is calculated from existing figures and shown below. Since city populations vary based in part on annexations, no city projection is given.

Population Trends and Projections

	<u>1990</u>	<u>1995</u>	<u>Annual Pct. Chg. '90 to '00</u>	<u>2000</u>	<u>Annual Pct. Chg. '00 to '04</u>	<u>2004</u>	<u>Annual Pct. Chg. '04 to '09</u>	<u>2009</u>
Georgia	6,478,216	7,332,335	2.3	8,186,453	2.1	8,869,748	2.1	9,723,866
Candler County	7,744	8,661	2.1	9,577	1.9	10,310	1.9	11,227
Market Area	7,308	8,143	2.0	8,977	1.9	9,645	1.9	10,479
Metter city	3,707	3,793	0.5	3,879	—	—	—	—

Sources: 1990 Census, 2000 Census. Estimates and projections by John Wall and Associates (derived from figures shown).

The population trends and projections shown in the table above indicate that the market area is growing at about the same rate as the county and state.

8.1.2 AGE

Population and the percent change is shown below for several age categories for 1990 and 2000. This information is presented in such a way as to easily compare the market area to the state, which is a “norm”, and to the city. This will point out any peculiarities in the market area.

Persons by Age in 1990

	<u>Under 18</u>	<u>18 to 34</u>	<u>35 to 54</u>	<u>55 to 64</u>	<u>65 to 74</u>	<u>75 to 84</u>	<u>85 or More</u>
Georgia	1,727,303	1,913,480	1,684,649	498,514	388,051	208,975	57,244
Candler County	2,104	1,809	1,873	686	704	452	116
Market Area	1,984	1,706	1,768	650	664	422	113
Metter city	1,017	809	860	328	372	235	86

Source: 1990 Census

Persons by Age in 2000

	<u>Under 18</u>	<u>18 to 34</u>	<u>35 to 54</u>	<u>55 to 64</u>	<u>65 to 74</u>	<u>75 to 84</u>	<u>85 or More</u>
Georgia	2,169,234	2,136,988	2,433,500	661,456	435,695	261,723	87,857
Candler County	2,568	2,133	2,514	909	687	531	235
Market Area	2,411	1,973	2,355	857	652	502	223
Metter city	989	794	942	376	319	311	148

Source: 2000 Census

Percent Change from 1990 to 2000 by Age Group

	<u>Under 18</u>	<u>18 to 34</u>	<u>35 to 54</u>	<u>55 to 64</u>	<u>65 to 74</u>	<u>75 to 84</u>	<u>85 or More</u>
Georgia	25.6	11.7	44.5	32.7	12.3	25.2	53.5
Candler County	22.1	17.9	34.2	32.5	-2.4	17.5	102.6
Market Area	21.5	15.7	33.2	31.8	-1.8	19.0	97.3
Metter city	-2.8	-1.9	9.5	14.6	-14.2	32.3	72.1

Source: John Wall and Associates, derived from figures shown above.

8.1.3 RACE AND HISPANIC ORIGIN

The racial composition of the market area does not factor into the demand for units; the information below is provided for reference.

Race and Hispanic Origin in 1990

<u>White</u>	<u>%</u>	<u>Black</u>	<u>%</u>	<u>Other</u>	<u>%</u>	<u>Hispanic</u>	<u>%</u>
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Georgia	4,600,148	71.0	1,746,565	27.0	131,503	2.0	108,922	1.7
Candler County	5,238	67.6	2,405	31.1	101	1.3	138	1.8
Market Area	4,974	68.1	2,245	30.7	89	1.2	121	1.7
Metter city	2,239	60.4	1,427	38.5	41	1.1	50	1.3

Source: 1990 Census

Note that “Hispanic” is not a racial category. “White”, “Black”, and “Other” represent 100% of the population. Some people in each of those categories also consider themselves “Hispanic”.

Race and Hispanic Origin in 2000

	<u>White</u>	<u>%</u>	<u>Black</u>	<u>%</u>	<u>Other</u>	<u>%</u>	<u>Hispanic</u>	<u>%</u>
Georgia	5,327,281	65.1	2,349,542	28.7	509,630	6.2	435,227	5.3
Candler County	6,268	65.4	2,593	27.1	716	7.5	882	9.2
Market Area	5,939	66.2	2,433	27.1	605	6.7	760	8.5
Metter city	2,135	55.0	1,590	41.0	154	4.0	204	5.3

Source: 2000 Census

It is especially interesting to note how the Hispanic population has changed between 1990 and 2000.

8.1.4 MINORITY STATUS

The term “minority” encompasses more than just race. Again, it does not factor into demand.

Comparison of Persons by Minority Status

	1990		1990		2000		2000	
	<u>Not Minority</u>	<u>%</u>	<u>Minority</u>	<u>%</u>	<u>Not Minority</u>	<u>%</u>	<u>Minority</u>	<u>%</u>
Georgia	4,543,425	70.1	1,934,791	29.9	5,128,661	62.6	3,057,792	37.4
Candler County	5,187	67.0	2,557	33.0	6,028	62.9	3,549	37.1
Market Area	4,929	67.4	2,379	32.6	5,715	63.7	3,262	36.3
Metter city	2,220	59.9	1,487	40.1	2,059	53.1	1,820	46.9

Source: 1990 Census, 2000 Census

8.1.5 SEX

This information is not relevant to a market analysis, but it is frequently requested when omitted.

Comparison of Persons by Sex

	<u>Female</u>	<u>%</u>	<u>Male</u>	<u>%</u>
Georgia	4,159,340	50.8	4,027,113	49.2
Candler County	4,773	49.8	4,804	50.2
Market Area	4,500	50.1	4,477	49.9
Metter city	2,043	52.7	1,836	47.3

Source: 2000 Census

8.2 HOUSEHOLDS

8.2.1 HOUSEHOLD TRENDS

The following table shows the number of households and the number of persons per housing unit.

Total Households and Persons per Housing Unit in 1990 and 2000

	1990	1990	2000	2000	2000
	<u>Households</u>	<u>Persons Per Household</u>	<u>Households</u>	<u>Persons Per Household</u>	<u>Persons Per Renter Household</u>
Georgia	2,366,615	2.66	3,006,369	2.65	2.51
Candler County	2,828	2.63	3,375	2.72	2.81
Market Area	2,678	2.63	3,174	2.70	2.79
Metter city	1,353	2.58	1,371	2.58	2.54

Source: 1990 Census, 2000 Census

The following table shows the number of households in the market area in 1990 and 2000, and projections for the year of completion.

Household Trends and Projections for the Market Area

1990	1995	Change '90 to '00	2000	Change '00 to '04	2004	Change '04 to '09	2009
2,678	2,926	496	3,174	198	3,372	248	3,620

Source: 1990 Census, 2000 Census, estimate and projections by John Wall and Associates (from figures shown)

The table above shows that between 1990 and 2000 the market area grew by 496 households. In 2000, the market area had 3,174 households and thus a demand for the same number of housing units. In 2004 the market area is projected to have 3,372 households. *This change in households creates a demand for 198 more housing units by the year of the subject's completion.*

8.2.2 TENURE

The tables below show how many units are occupied by owners and by renters.

Occupied Housing Units by Tenure 1990

	Owner	%	Renter	%	Total
Georgia	1,536,759	64.9	829,856	35.1	2,366,615
Candler County	2,029	71.7	799	28.3	2,828
Market Area	1,920	71.7	758	28.3	2,678
Metter city	904	66.8	449	33.2	1,353

Source: 1990 Census. Calculations by John Wall and Associates.

Occupied Housing Units by Tenure 2000

	Owner	%	Renter	%	Total
Georgia	2,029,154	67.5	977,215	32.5	3,006,369
Candler County	2,468	73.1	907	26.9	3,375
Market Area	2,315	72.9	859	27.1	3,174
Metter city	896	65.4	475	34.6	1,371

Source: 1990 Census. Calculations by John Wall and Associates.

8.2.3 HOUSEHOLD SIZE

Household size is another characteristic that needs to be examined. The household size of those presently renting can be used as a strong indicator of the bedroom mix required. Renters and owners have been shown separately in the tables below because the make-up of owner-occupied units is significantly different from that of renters.

Rental Housing Units by Persons in Unit 1990

	1 Pers.	%	2 Pers.	%	3 Pers.	%	4 Pers.	%	5 Pers.	%	6+ pers.	%
Georgia	264,751	32	229,460	28	145,134	17	106,902	13	49,585	6	34,024	4
Candler County	257	32	203	25	132	17	100	13	57	7	50	6
Market Area	247	33	191	25	125	16	93	12	54	7	48	6
Metter city	150	33	114	25	71	16	51	11	36	8	27	6

Source: 1990 Census

Owner Housing Units by Persons in Unit 1990

	1 Pers.	%	2 Pers.	%	3 Pers.	%	4 Pers.	%	5 Pers.	%	6+ pers.	%
Georgia	272,951	18	512,914	33	312,736	20	276,427	18	107,016	7	54,715	4
Candler County	460	23	663	33	368	18	325	16	138	7	75	4
Market Area	436	23	631	33	349	18	305	16	132	7	69	4
Metter city	230	25	293	32	163	18	123	14	60	7	35	4

Source: 1990 Census

Rental Housing Units by Persons in Unit 2000

	<u>1 Pers.</u>	<u>%</u>	<u>2 Pers.</u>	<u>%</u>	<u>3 Pers.</u>	<u>%</u>	<u>4 Pers.</u>	<u>%</u>	<u>5 Pers.</u>	<u>%</u>	<u>6+ pers.</u>	<u>%</u>
Georgia	321,869	33	262,458	27	164,048	17	120,828	12	61,510	6	46,502	5
Candler County	274	30	199	22	149	16	128	14	91	10	66	7
Market Area	264	31	190	22	141	16	122	14	79	9	63	7
Metter city	181	38	104	22	72	15	64	13	26	5	28	6

Source: 2000 Census**Owner Housing Units by Persons in Unit 2000**

	<u>1 Pers.</u>	<u>%</u>	<u>2 Pers.</u>	<u>%</u>	<u>3 Pers.</u>	<u>%</u>	<u>4 Pers.</u>	<u>%</u>	<u>5 Pers.</u>	<u>%</u>	<u>6+ pers.</u>	<u>%</u>
Georgia	388,654	19	701,324	35	386,810	19	339,811	17	138,132	7	74,423	4
Candler County	531	22	846	34	472	19	352	14	151	6	116	5
Market Area	499	22	793	34	445	19	332	14	140	6	106	5
Metter city	223	25	295	33	158	18	127	14	52	6	41	5

Source: 2000 Census

As seen in the tables above, the percent and number of large (5 or more person) households in the market area has increased between 1990 and 2000. This is an important fact to consider in projects with a significant (20% or more) number of 3 (or 4) bedroom units. This fact has been taken into account and is used to refine the analysis. It helps to determine the upper income limit for the purpose of calculating demand.

8.2.4 HOUSEHOLD INCOMES

The table below shows the number of households (both renter and owner) that fall within various income ranges for the market area.

Number of Households in Various Income Ranges

	Georgia		Candler		Market Area		Metter	
	<u>households</u>	<u>%</u>	<u>hhlds.</u>	<u>%</u>	<u>hhlds.</u>	<u>%</u>	<u>hhlds.</u>	<u>%</u>
Less than \$5,000	187,826		373		356		183	
\$5,000 to \$9,999	210,252	25	405	41	390	41	254	45
\$10,000 to \$12,499	110,044		196		188		109	
\$12,500 to \$14,999	94,098		177		167		70	
\$15,000 to \$17,499	111,240		172		162		75	
\$17,500 to \$19,999	98,883	18	110	19	97	19	17	16
\$20,000 to \$22,499	114,410		132		129		51	
\$22,500 to \$24,999	94,035		107		105		78	
\$25,000 to \$27,499	108,915		160		146		57	
\$27,500 to \$29,999	88,064	16	114	14	107	14	50	12
\$30,000 to \$32,499	107,248		69		61		17	
\$32,500 to \$34,999	79,506		57		51		38	
\$35,000 to \$37,499	91,230		110		101		46	
\$37,500 to \$39,999	68,975		81		76		23	
\$40,000 to \$42,499	83,586	18	101	14	99	14	67	14
\$42,500 to \$44,999	60,811		60		58		24	
\$45,000 to \$47,499	65,808		42		41		29	
\$47,500 to \$49,999	50,507		10		10		0	
\$50,000 to \$54,999	100,809		83		78		47	
\$55,000 to \$59,999	79,153		110		107		56	
\$60,000 to \$74,999	161,705		57		49		10	
\$75,000 to \$99,999	109,354	23	30	12	30	12	15	12
\$100,000 to \$124,999	40,880		16		15		8	
\$125,000 to \$149,999	16,094		25		25		17	
\$150,000 or more	33,142		14		14		14	
Total	2,366,575		2,811		2,662		1,355	
Median	29,021		19,375		19,256		17,050	
Per Capita	13,631		9,293		9,337		9,504	

Source: 1990 Census

9 MARKET AREA ECONOMY

The economy of the market area will have an impact on the need for apartment units.

Employed Persons Age 16 Years And Over

<u>Occupation</u>	<u>Persons</u>	<u>Percent</u>
Managerial and professional specialty occupations:		
Executive, administrative, and managerial occupations	190	6.2
Professional specialty occupations	375	12.2
Technical, sales, and administrative support occupations:		
Technicians and related support occupations	77	2.5
Sales occupations	273	8.9
Administrative support occupations, including clerical	348	11.3
Service occupations:		
Private household occupations	20	0.6
Protective service occupations	52	1.7
Service occupations, except protective and household	338	11.0
Farming, forestry, and fishing occupations	337	10.9
Precision production, craft, and repair occupations	347	11.3
Operators, fabricators, and laborers:		
Machine operators, assemblers, and inspectors	358	11.6
Transportation and material moving occupations	197	6.4
Handlers, equipment cleaners, helpers, and laborers	166	5.4

<u>Industry</u>	<u>Persons</u>	<u>Percent</u>
Agriculture, forestry, and fisheries	322	10.5
Mining	5	0.2
Construction	151	4.9
Manufacturing, nondurable goods	406	13.2
Manufacturing, durable goods	278	9.0
Transportation	129	4.2
Communications and other public utilities	155	5.0
Wholesale trade	120	3.9
Retail trade	431	14.0
Finance, insurance, and real estate	132	4.3
Business and repair services	21	0.7
Personal services	73	2.4
Entertainment and recreation services	24	0.8
Professional and related services:		
Health services	323	10.5
Educational services	291	9.4
Other professional and related services	57	1.9
Public administration	163	5.3

Source: 1990 Census

9.1 MAJOR EMPLOYERS

The following is a list of major manufacturing employers in the market area:

<u>Company</u>	<u>Product</u>	<u>Employees</u>	<u>Year Est.</u>
Wallace Computer Services, Inc.	Continuous computer & business forms	155	1979

Source: State Manufacturers' Directory

9.2 NEW OR PLANNED CHANGES IN WORKFORCE

If there are any, they will be discussed in the "Interviews" section of the report.

9.3 EMPLOYMENT (CIVILIAN LABOR FORCE)

In order to determine how employment affects the market area and whether the local economy is expanding, declining, or stable, it is necessary to inspect employment statistics for several years. The table below shows the increase or decrease in employment and the percentage of unemployed at the county level. This table also shows the change in the size of the labor force, an indicator of change in housing requirements for the county.

Employment Trends

<u>Year</u>	<u>Civilian Labor Force</u>	<u>Unemployment</u>	<u>Rate (%)</u>	<u>Employment</u>	<u>Change</u>		<u>Annual Change</u>	
					<u>Number</u>	<u>Pct.</u>	<u>Number</u>	<u>Pct.</u>
1980	3,122	153	4.9	2,969	—	—	—	—
1990	3,700	174	4.7	3,526	557	18.8	56	1.9
1999	3,994	224	5.6	3,770	244	6.9	27	0.8
2000	3,905	199	5.1	3,706	-64	-1.7	-64	-1.7
2001	4,062	179	4.4	3,883	177	4.8	177	4.8
J-02	4,210	135	3.2	4,075	192	4.9		
F-02	4,210	139	3.3	4,071	-4	-0.1		
M-02	4,231	131	3.1	4,100	29	0.7		
A-02	4,295	120	2.8	4,175	75	1.8		

Source: State Employment Security Commission

9.4 ECONOMIC SUMMARY

As can be seen in the tables above, the largest number of persons is employed in the “Professional specialty occupations” occupation category and in the “Retail trade” industry category.

Unemployment has been decreasing over the past several years.

The proposed project will require tenants who either earn enough money to afford the rent or have a rent subsidy voucher. When there is a downturn in the economy, there will be households where one or more employed persons become unemployed. Some households that could afford to live in the proposed units will no longer have enough income. By the same token, there will be other households that previously had incomes that were too high to live in the proposed units who will now be income qualified. A change in the size of labor force frequently indicates a corresponding change in the need for housing.

10 PROJECT SPECIFIC DEMAND ANALYSIS

10.1 INCOME RESTRICTIONS AND AFFORDABILITY

Several economic factors need to be examined in a market analysis of this type. Most important is the number of households that would qualify for apartments on the basis of their income. A variety of circumstances regarding restrictions and affordability are outlined below.

10.1.1 HOUSEHOLDS REQUIRING RENTAL ASSISTANCE

The lower limit of the acceptable income range for units with rental assistance is zero income. The upper limit of the acceptable income range for units with rental assistance is established by the HUD guidelines. HUD allows households below 50% of area median income (AMI) to receive rental assistance; however, 75% of the assistance is reserved for households at or below 30% AMI. Therefore, the pool of households eligible for rental assistance is calculated by using all of the households with incomes below 30% and limiting the number of households between 30% and 50% AMI to conform with the HUD guidelines (the 75/25 split between 30% AMI and 50% AMI).

10.1.2 HOUSEHOLDS NOT REQUIRING RENTAL ASSISTANCE

Households whose gross rent (rent plus utilities) would account for less than 30% of their annual adjusted income do not require rental assistance.

10.1.3 HOUSEHOLDS QUALIFYING FOR TAX CREDIT UNITS

Families who earn less than a defined percentage (usually 50% or 60%) of the county or MSA median income as adjusted by HUD (AMI) qualify for low income housing tax credit (LIHTC) units. Therefore, feasibility for projects expecting to receive tax credits will be based in part on the incomes required to support the tax credits.

For those tax credit units occupied by low income households, the monthly gross rent should not realistically exceed 35% of the household income. However, elderly households can afford to pay a larger portion of their income on housing than family households. Elderly households should not realistically exceed 40% of the household income.

Gross rent includes utilities, but excludes payments of rental assistance by federal, state, and local entities.

10.1.4 HOUSEHOLDS QUALIFYING FOR MARKET RATE UNITS

In those cases where less than 100% of the units will be designated for tax credit eligible persons, the incomes needed to support the non-LIHTC units will be analyzed also. These households are expected to pay no more than 30% of their income for gross rent. The upper end of the income range is established by using 25% of income for gross rent.

Income data have been shown separately for owner and renter households.

10.1.5 ESTABLISHING QUALIFYING INCOME RANGES

It is critical to establish the number of households that qualify for apartments under the tax credit program based on their income. The income ranges are established in two stages. First, the maximum incomes allowable are calculated by applying the tax credit guidelines. According to United States Code, either 20% of the units must be occupied by households who earn under 50%

of the area median gross income (AMI), OR 40% of the units must be occupied by households who earn under 60% of the AMI. Sometimes units are restricted for even lower income households. In many cases, the developer has chosen to restrict the rents for 100% of the units to be for low income households.

Maximum Income Limit (HUD 2002)

Persons	30% of AMI	40% of AMI	50% of AMI	60% of AMI
1	8,850	11,800	14,750	17,700
2	10,150	13,500	16,900	20,250
3	11,400	15,200	19,000	22,800
4	12,650	16,900	21,100	25,300
5	13,650	18,250	22,800	27,350
6	14,700	19,600	24,500	29,350
7	15,700	20,950	26,150	31,400
8	16,700	22,300	27,850	33,400

Source: 4 Person Very Low Income Limit: HUD, *Low and Very-Low Income Limits by Family Size*.

Others: John Wall and Associates, derived from HUD figure using methodology documented in source

The table above shows the maximum tax credit allowable incomes for households moving into the subject based on household size and the percent of area median gross income (AMI).

After establishing the maximum income, the lower income limit will be determined. The lower limit is the income a household must have in order to be able to afford the rent and utilities. The realistic lower limit of the income range is determined by the following formula:

$$(\text{rent} + \text{utilities} / \text{month}) \div 35\% \times 12 \text{ months} = \text{annual income}$$

This provides for up to 35% of adjusted annual income (AAI) to be used for rent plus utilities.

The proposed gross rents (rent plus utility allowance), as supplied by the client, and the minimum incomes required to maintain 35% or less of income spent on gross rent are:

Minimum Incomes Required and Gross Rents

	Gross Rent for 30% of AMI	Minimum Annual Income Required	Gross Rent for 50% of AMI	Minimum Annual Income Required	Gross Rent for 60% of AMI	Minimum Annual Income Required	Gross Rent for Market Units	Minimum Annual Income Required
Bedrooms	AMI	Required	AMI	Required	AMI	Required	Units	Required
2	270	9,257	437	14,983	527	18,069	708	28,320
3	312	10,697	507	17,383	611	20,949	750	30,000

Source: John Wall and Associates from data provided by client.

From the tables above, the practical lower income limits for units *without* rental assistance can be established. Units *with* rental assistance will use \$0 as their lower income limit.

When the minimum incomes required are combined with the maximum tax credit limit, the income *ranges* for households entering the project can be established. Only households whose incomes fall within the range can be considered as a source of demand. Note that *both* the income limits *and* the width of the spread in the ranges are important.

10.1.6 QUALIFYING INCOME RANGES

Qualifying Income Ranges by Bedrooms and Persons Per Household

<u>30%</u>			income based lower limit	spread between limits	tax credit based upper limit
<u>Bedrooms</u>	<u>Persons</u>	<u>Gross Rent</u>			
2	2	270	9,257	893	10,150
2	3	270	9,257	2,143	11,400
2	4	270	9,257	3,393	12,650
3	4	312	10,697	1,953	12,650
3	5	312	10,697	2,953	13,650
3	6	312	10,697	4,003	14,700

<u>50%</u>			income based lower limit	spread between limits	tax credit based upper limit
<u>Bedrooms</u>	<u>Persons</u>	<u>Gross Rent</u>			
2	2	437	14,983	1,917	16,900
2	3	437	14,983	4,017	19,000
2	4	437	14,983	6,117	21,100
3	4	507	17,383	3,717	21,100
3	5	507	17,383	5,417	22,800
3	6	507	17,383	7,117	24,500

<u>60%</u>			income based lower limit	spread between limits	tax credit based upper limit
<u>Bedrooms</u>	<u>persons</u>	<u>Gross Rent</u>			
2	2	527	18,069	2,181	20,250
2	3	527	18,069	4,731	22,800
2	4	527	18,069	7,231	25,300
3	4	611	20,949	4,351	25,300
3	5	611	20,949	6,401	27,350
3	6	611	20,949	8,401	29,350

<u>Market Rate</u>			income based lower limit	spread between limits	tax credit based upper Limit 25% AAI
<u>Bedrooms</u>	<u>persons</u>	<u>Gross Rent</u>			
2	2	708	28,320	5,664	33,984
2	3	708	28,320	5,664	33,984
2	4	708	28,320	5,664	33,984
3	4	750	30,000	6,000	36,000
3	5	750	30,000	6,000	36,000
3	6	750	30,000	6,000	36,000

Sources: Gross rents: client; Limits: tables on prior pages; Spread: calculated from data in table.

10.1.7 RENT AND INCOME SUMMARY

The table below shows a summary of eligible income data:

Qualifying and Proposed Rent and Income Summary

30% Units 50% Units 60% Units

Number of Units

2 Bedrooms	3	10	9
3 Bedrooms	2	10	9

Maximum Allowable Gross Rent (Federal Guidelines)

2 Bedrooms	285	475	570
3 Bedrooms	329	549	658

Developer's Gross Rent

2 Bedrooms	270	437	527
3 Bedrooms	312	507	611

Minimum Income Based on Developer's Rent

2 Bedrooms	9,257	14,983	18,069
3 Bedrooms	10,697	17,383	20,949

Maximum Income at 1.5 Persons Per Bedroom

2 Bedrooms	11,400	19,000	22,800
3 Bedrooms	13,150	21,950	26,325

An income range of \$9,250 to \$13,650 is reasonable for households in the 30% units.

An income range of \$15,000 to \$22,800 is reasonable for households in the 50% units.

An income range of \$18,050 to \$27,350 is reasonable for households in the 60% units.

An income range of \$9,250 to \$27,350 is reasonable for the tax credit units overall.

An income range of \$28,320 to \$36,000 is reasonable for the market rate units.

10.1.8 HOUSEHOLDS WITH QUALIFIED INCOMES

The table below shows income levels for renters and owners separately. The number and percent of income qualified *renter* households is calculated from this table.

Number of Specified Households in Various Income Ranges by Tenure

		Georgia		Candler		Market Area		Metter		
1990	2002 Est.*									
<u>Income</u>	<u>Income</u>	<u>Tenure</u>	<u>households</u>	<u>%</u>	<u>hhlds.</u>	<u>%</u>	<u>hhlds.</u>	<u>%</u>	<u>hhlds.</u>	<u>%</u>
Under	Under	Owner	117,926	6	218	13	208	13	153	14
\$10,000	\$15,000	Renter	<u>220,513</u>	<u>11</u>	<u>307</u>	<u>18</u>	<u>298</u>	<u>19</u>	<u>212</u>	<u>20</u>
		Total	338,439	17	525	31	506	32	365	34
\$10,000	\$15,000	Owner	144,435	7	171	10	160	10	101	9
\$19,999	\$29,999	Renter	<u>194,050</u>	<u>10</u>	<u>138</u>	<u>8</u>	<u>128</u>	<u>8</u>	<u>63</u>	<u>6</u>
		Total	338,485	17	309	18	288	18	164	15
\$20,000	\$30,000	Owner	253,766	13	196	12	186	12	119	11
\$34,999	\$51,999	Renter	<u>224,913</u>	<u>11</u>	<u>187</u>	<u>11</u>	<u>178</u>	<u>11</u>	<u>128</u>	<u>12</u>
		Total	478,679	24	383	23	364	23	247	23
\$35,000	\$52,000	Owner	242,070	12	153	9	151	9	110	10
\$49,999	\$74,499	Renter	<u>104,412</u>	<u>5</u>	<u>65</u>	<u>4</u>	<u>63</u>	<u>4</u>	<u>33</u>	<u>3</u>
		Total	346,482	18	218	13	214	13	143	13
\$50,000	\$74,500	Owner	394,912	20	216	13	210	13	146	14
or more	or more	Renter	<u>64,477</u>	<u>3</u>	<u>20</u>	<u>1</u>	<u>20</u>	<u>1</u>	<u>13</u>	<u>1</u>
		Total	459,389	23	236	14	230	14	159	15
Totals		Owner	1,153,109	59	954	57	915	57	629	58
		Renter	<u>808,365</u>	<u>41</u>	<u>717</u>	<u>43</u>	<u>687</u>	<u>43</u>	<u>449</u>	<u>42</u>
		Grand	1,961,474		1,671		1,602		1,078	

Source: 1990 Census

*Only the Census Bureau consistently collects reliable income data throughout the United States at the county level. In order to make the income data more useful, it is updated. Each year HUD publishes adjustment factors for income bands in "Estimates of Median Family Income." These

adjustment factors are used to derive the “Estimate” column above. For further information on how HUD calculates the adjustment factors, please see the HUD letter of transmittal.

Portion of Renter Households in Appropriate Income Ranges

Income	Georgia		Candler		Market Area		Metter	
	households	%	hhlds.	%	hhlds.	%	hhlds.	%
\$9,250 — \$13,650	—	—	—	—	87	12.7	—	—
\$15,000 — \$22,800	—	—	—	—	66	9.7	—	—
\$18,050 — \$27,350	—	—	—	—	80	11.6	—	—
\$9,250 — \$27,350	—	—	—	—	220	32.0	—	—
\$28,320 — \$36,000	—	—	—	—	63	9.2	—	—

Source: John Wall and Associates from figures above

Given a \$9,250 to \$13,650 gross income range, 12.7% of the rental households in the market area fall within the qualifying income range for 30% AMI restricted units.

Given a \$15,000 to \$22,800 gross income range, 9.7% of the rental households in the market area fall within the qualifying income range for 50% AMI restricted units.

Given a \$18,050 to \$27,350 gross income range, 11.6% of the rental households in the market area realistically fall within the qualifying income range for 60% AMI restricted units.

Given a \$9,250 to \$27,350 gross income range, 32.0% of the rental households in the market area realistically fall within the qualifying income range for the tax credit units.

Given a \$28,320 to \$36,000 gross income range, 9.2% of the rental households in the market area realistically fall within the qualifying income range for the market rate units.

These figures will be applied to the household growth figures to determine the number of new households that will be income qualified to move into the subject.

10.2 DEMAND

10.2.1 DEMAND FROM NEW HOUSEHOLDS

10.2.1.1 NEW HOUSEHOLDS

It was shown in the Household Trends section that there will be a demand for 198 more housing units by the year of completion. It was also shown in the Tenure section that the area ratio (norm) of rental units to total units is 27.1%. Therefore, 54 of these new units will need to be rental.

The table, “The Number of Specified Households in Various Income Ranges by Tenure,” shows the percentage of renter households in various income ranges. These percentages are applied to the total number of new rental units needed to arrive at the *number* of new rental units needed in the relevant income categories:

12.7%, or 7 of these new rental units need to be for households at 30% AMI.

9.7%, or 5 of these new rental units need to be for households at 50% AMI.

11.6%, or 6 of these new rental units need to be for households at 60% AMI.

32.0%, or 17 of these new rental units need to be for tax credit households overall.

9.2%, or 5 of these new rental units need to be for households in market rate units.

10.2.2 DEMAND FROM EXISTING HOUSEHOLDS

10.2.2.1 DEMAND FROM RENT OVERBURDEN HOUSEHOLDS

A household is defined as rent overburdened when it pays 30% or more of its income on gross rent (rent plus utilities). Likewise, the household is *severely* rent overburdened if it pays 35% or more of its income on gross rent.

For tax credit units *without* rental assistance, households may pay 35% of their income for gross rent. Therefore, up to 35% of income for gross rent is used in establishing affordability in the “Demand from Growth” calculations. Hence, only *severely* (paying in excess of 35%) rent overburdened households are counted as a source of demand for tax credit units without rental assistance.

For units *with* rental assistance (tenants pay only 30% of their income for gross rent), any households paying more than 30% for gross rent would benefit by moving into the unit so all overburdened households in the relevant income range are counted as a source of demand.

The following table presents data on rent overburdened households in various income ranges.

Percentage of Income Paid For Rent (Renter Households in Specified Housing Units)

		Georgia		Candler		Market Area		Metter	
<u>Less than \$10,000:</u>	<u>Less than \$15,000</u>	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>
Under 30%, or N.C.		65,275	8	100	14	96	14	64	14
30 to 34 percent		14,244	2	29	4	28	4	18	4
35 percent or more		140,994	17	178	25	174	25	130	29
<u>\$10,000 to \$19,999:</u>	<u>\$15,000 to \$29999</u>								
Under 30%, or N.C.		87,347	11	130	18	120	17	55	12
30 to 34 percent		30,131	4	0	0	0	0	0	0
35 percent or more		76,572	9	8	1	8	1	8	2
<u>\$20,000 to \$34,999:</u>	<u>\$30,000 to \$51999</u>								
Under 30%, or N.C.		190,397	24	187	26	178	26	128	29
30 to 34 percent		19,623	2	0	0	0	0	0	0
35 percent or more		14,893	2	0	0	0	0	0	0
<u>\$35,000 to \$49,999:</u>	<u>\$52,000 to \$74499</u>								
Under 30%, or N.C.		102,238	13	65	9	63	9	33	7
30 to 34 percent		1,333	0	0	0	0	0	0	0
35 percent or more		841	0	0	0	0	0	0	0
<u>\$50,000 or more:</u>	<u>\$74,500 or more</u>								
Under 30%, or N.C.		64,110	0	20	0	20	0	13	0
30 to 34 percent		307	0	0	0	0	0	0	0
35 percent or more		60	0	0	0	0	0	0	0
Total		808,365		717		687		449	

Note: Not Computed (“N.C.” in the table) comprises households that either pay no rent or have no income (or negative income). Such households are not counted as being rent overburdened.

Source: 1990 Census

From the table above it can be estimated that 51 rent overburdened households earned between \$9,257 and \$13,650 (2002 dollars) in 1990.

From the table above it can be estimated that 5 rent overburdened households earned between \$14,983 and \$22,800 (2002 dollars) in 1990.

From the table above it can be estimated that 5 rent overburdened households earned between \$18,069 and \$27,350 (2002 dollars) in 1990.

From the table above it can be estimated that 73 rent overburdened households earned between \$9,257 and \$27,350 (2002 dollars) in 1990.

From the table above it can be estimated that 1 rent overburdened household earned between \$28,320 and \$36,000 (2002 dollars) in 1990.

10.2.2.2 SUBSTANDARD CONDITIONS

The Bureau of the Census defines substandard conditions as 1) lacking plumbing, or 2) 1.01 or more persons per room.

Owner-Occupied Housing Units by Plumbing Facilities and Persons per Room

	<u>Complete Plumbing</u>		<u>Incomplete Plumbing</u>	
	<u>1 or Less</u>	<u>1.01 or More</u>	<u>1 or Less</u>	<u>1.01 or More</u>
Georgia	1,493,438	33,262	9,180	949
Candler County	1,923	106	0	0
Market Area	1,819	101	0	0
Metter city	837	67	0	0

Source: 1990 Census

Renter-Occupied Housing Units by Plumbing Facilities and Persons per Room

	<u>Complete Plumbing</u>		<u>Incomplete Plumbing</u>	
	<u>1 or Less</u>	<u>1.01 or More</u>	<u>1 or Less</u>	<u>1.01 or More</u>
Georgia	762,760	54,234	10,250	2,542
Candler County	700	68	22	9
Market Area	668	66	20	9
Metter city	398	51	0	0

Source: 1990 Census

Percent Substandard Occupied Units (Renter and Owner)

	<u>Substandard Units</u>	<u>Total Units</u>	<u>Pct. Substd.</u>
Georgia	110,417	2,366,615	4.7
Candler County	205	2,828	7.2
Market Area	196	2,683	7.3
Metter city	118	1,353	8.7

Source: 1990 Census and John Wall and Associates from Census figures

From these tables, the need from substandard rental units can be drawn. There were 95 substandard rental units in the market area. It can be shown that 81% of these renters have qualifying incomes for rental assisted housing, so 77 additional rent assisted units will be required.

Likewise, 19.0% of the renters who desire to live in non-substandard units have qualifying incomes for non-rental assisted housing, so 18 additional units will be required to accommodate them.

10.2.3 VACANCY RATES

Studying the 1990 (base year) vacancy rate will tell whether the market was overbuilt or underbuilt. A vacancy rate of 5.0%, exclusive of "unrentable" units, is considered normal. Apartments vacant for more than 2 months are considered unrentable.

Vacancy Rates

	<u>Vacant</u>	<u>Less for</u>	<u>Equals</u>		<u>Vacancy</u>	<u>Approx.</u>
	<u>For Rent</u>	<u>Rent Over</u>	<u>Vacant</u>	<u>Renter</u>	<u>Rate</u>	<u>Units</u>
		<u>2 Months</u>	<u>But</u>	<u>Occupied</u>		<u>Under</u>
			<u>Rentable</u>			<u>Built</u>
Georgia	115,115	78,236	36,879	829,856	4.4	6,798
Candler County	113	93	20	799	2.5	22
Market Area	106	86	20	758	2.6	20
Metter city	53	37	16	449	3.6	8

Source: 1990 Census

To arrive at the vacancy rate, the units vacant but rentable (vacant for less than 2 months) have been added to the occupied units, and the sum divided into the number of vacant but rentable units.

As seen above, with a vacancy rate of 2.6%, there existed an underbuilt condition in the market area.

The number of units that must be added to satisfy this condition is calculated below:

Where . . . A = Number of vacant but rentable units
 B = Sum of renter-occupied units and units vacant but rentable
 X = Number of units to be added/subtracted
 to compensate for overbuilding/underbuilding

If . . . $\frac{A + X}{B + X} = 0.05$ (normal vacancy rate)

Then . . . $X = \frac{0.05 B - A}{0.95}$

With 20 vacant but rentable units and a sum of 778 occupied units and vacant but rentable units, there existed in 1990 a demand for 20 additional units in the market area due to an underbuilt condition.

11 SUMMARY OF DEMAND

	Households at 30% AMI \$9,257 to \$13,650	Households at 50% AMI \$14,983 to \$22,800	Households at 60% AMI \$18,069 to \$27,350	Overall tax credit demand \$9,250 to \$27,350	Market Rate \$28,320 to \$36,000
Demand from new households (age, income, and tenure appropriate)	7	5	6	17	5
Demand from existing renter households					
Rent overburden	51	5	5	73	1
Substandard conditions	9	9	4	18	0
Under/over built condition	3	2	2	6	2
Total demand	70	21	17	114	8
Less comparable units built since 2000 or proposed by 2004	0	0	0	0	0
Net demand	70	21	17	114	8

12 SUPPLY ANALYSIS (INCLUDING COMPARABLE RENTAL DEVELOPMENTS)

12.1 RENTS AT BASE YEAR

The preceding pages show maps of median gross rent and median home value. The following table is a schedule of all rental units in the market area and the rent being charged for 1990:

Renter-Occupied Housing Units by Contract Rent

	Georgia		Candler		Market Area		Metter	
	#	%	#	%	#	%	#	%
Under \$100	70,294	8.8	155	23	150	23	110	25
\$100 to \$149	54,960	6.8	127	19	122	19	81	19
\$150 to \$199	61,848	7.7	163	24	157	24	118	27
\$200 to \$249	64,724	8.1	68	10	65	10	43	9.9
\$250 to \$299	67,095	8.4	36	5.3	35	5.4	28	6.4
\$300 to \$349	69,428	8.6	20	2.9	20	3.1	17	3.9
\$350 to \$399	84,206	10	9	1.3	9	1.4	5	1.1
\$400 to \$449	76,259	9.5	2	0.3	2	0.3	2	0.5
\$450 to \$499	64,996	8.1	0	0	0	0	0	0
\$500 to \$549	48,921	6.1	1	0.1	1	0.2	0	0
\$550 to \$599	33,580	4.2	0	0	0	0	0	0
\$600 to \$649	22,530	2.8	1	0.1	1	0.2	1	0.2
\$650 to \$699	14,392	1.8	0	0	0	0	0	0
\$700 to \$749	7,992	1	1	0.1	1	0.2	0	0
\$750 to \$999	13,143	1.6	0	0	0	0	0	0
\$1,000 or more	5,131	0.6	0	0	0	0	0	0
No cash rent	43,333	5.4	96	14	89	14	31	7.1
Median	344		153		153		155	
Total	802,832		679		652		436	

Source: 1990 Census

These figures indicate that the most frequent rents in the market area were from \$150 to \$199 per month. There were units that paid no cash rent.

The tables below indicate most of the rental units in the market area are in the “mobile home” category:

Housing Units Occupied Year-Round By Tenure and Units in Structure

	single family	duplex	3 or 4	5 to 9	10 to 49	50+	mobile home	other
Owner Occupied:								
Georgia	1,303,168	6,394	5,059	6,253	5,245	1,544	198,075	11,021
Candler County	1,383	3	4	2	1	0	623	13
Market Area	1,322	3	4	2	1	0	577	12
Metter city	685	3	3	1	0	0	204	8
Renter Occupied:								
Georgia	280,553	71,096	89,224	131,456	151,814	29,902	66,747	9,064
Candler County	114	73	38	7	0	0	159	12
Market Area	111	73	38	7	0	0	147	12
Metter city	44	70	38	6	0	0	55	10

Source: 1990 Census

12.2 BUILDING PERMITS ISSUED

Building permits are an indicator of the economic strength and activity of a community. While permits are never issued for a market area, the multi-family permits issued for the county and town are an indicator of apartments recently added to the supply:

Building Permits Issued

<u>Year</u>	<u>Candler County</u>			<u>Metter</u>		
	<u>Total</u>	<u>Single Family</u>	<u>Multi-Family</u>	<u>Total</u>	<u>Single Family</u>	<u>Multi-Family</u>
1990	11	9	2	11	9	2
1991	1	1	0	1	1	0
1992	44	6	38	44	6	38
1993	4	4	0	4	4	0
1994	4	4	0	4	4	0
1995	10	10	0	10	10	0
1996	4	4	0	4	4	0
1997	2	2	0	2	2	0
1998	7	3	4	7	3	4
1999	3	3	0	3	3	0
2000	2	2	0	2	2	0

KEY: X = Did not issue permits at that time; NA = Data not available; S = No annual report received, or fewer than 9 monthly reports received

Source: C-40, U.S. Dept. of Commerce, Bureau of the Census, "Housing Units Authorized by Building Permits".

12.3 APARTMENT UNITS BUILT SINCE 2000 OR PROPOSED

The following table enumerates comparables built in the market area since 2000 or known to be proposed to be built by the subject's opening date.

Apartment Units Built Since 2000 or Proposed

<u>Project Name</u>	<u>Year Built</u>	<u>Above Moderate Income</u>	<u>50% AMI, No Rental Assistance</u>	<u>60% AMI, No Rental Assistance</u>	<u>Units With Rental Assistance</u>	<u>TOTAL</u>
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No apartment projects have been built since 2000

12.4 SCHEDULE OF PRESENT RENTS AND VACANCIES

The present housing situation is examined in this section. The apartment inventory sheet reflects selected apartment complexes in the market area.

The table below shows selected apartment complexes *with* rent subsidy in or near the market area.

Schedule of Rents, Number of Units and Vacancies for *Rent-Assisted* Apartment Units

<u>1-Bedroom & Eff</u>		<u>2-Bedroom</u>		<u>3-Bedroom</u>		<u>4-Bedroom or More</u>	
<u>units</u>	<u>vacancies</u>	<u>units</u>	<u>vacancies</u>	<u>units</u>	<u>vacancies</u>	<u>units</u>	<u>vacancies</u>
44	0	56	0	—	—	—	—
46 (E)	2	6 (E)	0				

E = Elderly; P = Proposed; UC = Under Construction






Source: John Wall and Associates

It is interesting to note that, of the 152 apartments surveyed in the market area *with* rent subsidy, there are 2 vacancies. This represents an overall vacancy rate of 1.3%. Of the 52 elderly apartments with rental assistance in the market area, there are 2 vacancies. This represents a vacancy rate of 3.8%.

APARTMENT INVENTORY

Metter, Georgia PCN: 02-043

KEY: P = proposed; UC= under construction; R = renovated; BOI = based on income

ID#	Apartment Name	Year Built vac%	Efficiency/Studio (e) One Bedroom			Two Bedroom			Three Bedroom			Four Bedroom			COMMENTS
			Units	Vacant	Rent	Units	Vacant	Rent	Units	Vacant	Rent	Units	Vacant	Rent	
	SUBJECT Morgan's Station Martin Luther King, Jr. Blvd.	Planned				3 10 9 2*	P P P P	198 365 455 636	10 9 3*	P P P	418 522 661				Tax Credit 30%, 50%, 60% There are two 3BR units at 30% (2 bath, 1,080/1,251 sq ft, \$223 rent). *Market rate units - one of the 3BR market rate units is the manager's unit; **Community building with multi-purpose room and large covered porch; ***Townhomes, covered rear patios on units, walking path with sitting areas, tot lot, computer lab, large open playing field (5,000 sq. ft+), covered pavilion with picnic, BBQ facilities; ****Water, sewer, trash pick-up.
	2 Lytell Turner Properties W Broad Street Lytell Calhoun 912-685-5678	Before 1980 0%				4	0	300							No Waiting List Conventional *Water, cable; **Window unit.
	3 Madie Greene 912-685-6396 Tammy Strickland (daughter) 912-685-6910	Before 1980				15									Scattered sites. Duplexes. Unable to obtain information.
	4 Terry Donaldson Aline Avenue 912-685-6787	Before 1980 0%				2*	0	250							WL=3 or 4 Conventional *1 Duplex. No furnishings.
	5 Windsor Apartments 198 Eldridge Street Roy 912-685-3857	1993 3.8%	46	2	BOI	6	0	BOI							WL=1 or 2 Tax Credit, Sect. 515, RA=51 E/H/D *Community room; **Gazebo.
	6 Candler Apartments FKA Colonial Villas 400 Herschel Drive Denise 912-685-4935	1981 1991 1997 0%	2	0	BOI	22	0	BOI							WL=4 Tax Credit 60%, Sect. 515 RA=24 *Private patio/balcony.
	7 Housing Authority Scattered Sites (4 Sites) Valda 912-685-5377	Before 1972 0%	42	0	BOI	34	0	BOI	33	0	BOI	11 2*	0 0	BOI BOI	WL=** Public Housing Housing Authority had been 90% vacant due to poor condition - all units have now been rehabilitated. *5BR units. **Waiting list=10 to 11 for 1BR units, all other BR units have smaller waiting lists.

	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
	3	1.5	P	937	198
2 BR vacancy rate	10		P		365
	9		P		455
	2*		P		636
Three-Bedroom					
	10	2	P	1,080/	418
3 BR vacancy rate	9		P	1,251	522
	3*		P		661
Four-Bedroom					
4 BR vacancy rate					
TOTALS					
	46				

Complex:SUBJECT

Map Number:

Morgan's Station

Martin Luther King, Jr. Blvd.

Year Built:

Planned

Amenities	Appliances	Unit Features
<div><div>x</div>Laundry Facility</div>	<div><div>x</div>Refrigerator</div>	<div><div>****</div>Fireplace</div>
<div><div></div>Tennis Court</div>	<div><div>x</div>Range/Oven</div>	<div><div></div>Utilities Included</div>
<div><div>**</div>Swimming Pool</div>	<div><div></div>Microwave Oven</div>	<div><div></div>Furnished</div>
<div><div></div>Club House</div>	<div><div>x</div>Dishwasher</div>	<div><div>x</div>Air Conditioning</div>
<div><div></div>Garages</div>	<div><div>x</div>Garbage Disposal</div>	<div><div>x</div>Drapes/Blinds</div>
<div><div>x</div>Playground</div>	<div><div>x</div>W/D Connection</div>	<div><div>x</div>Cable Pre-Wired</div>
<div><div></div>Access/Security Gate</div>	<div><div></div>Washer, Dryer</div>	<div><div></div>Free Cable</div>
<div><div>x</div>Fitness Center</div>	<div><div></div>Ceiling Fan</div>	<div><div></div>Free Internet</div>
<div><div>***</div>Other</div>	<div><div></div>Other</div>	<div><div></div>Other</div>

Last Rent Increase

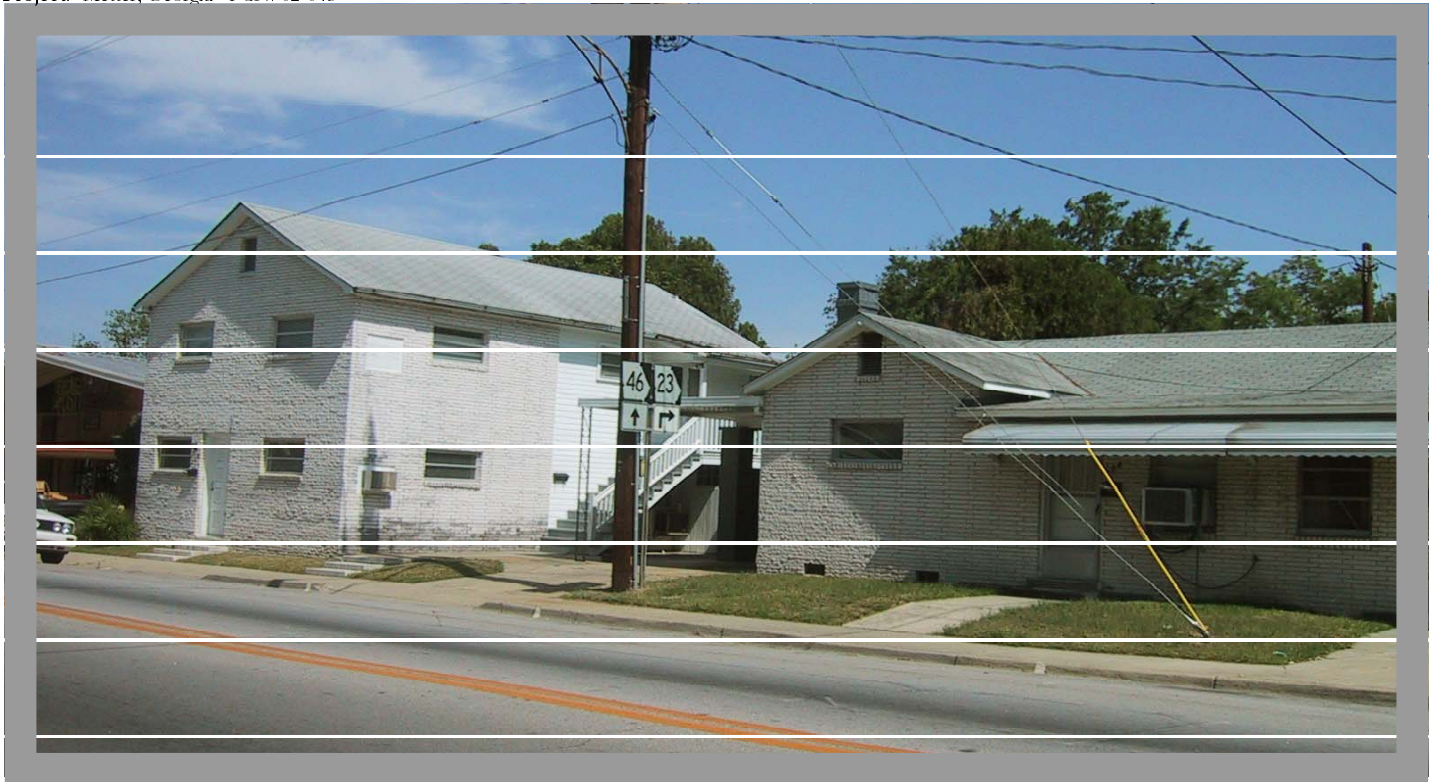
Specials

Waiting List

Subsidies

Tax Credit 30%, 50%, 60%

Comments: There are two 3BR units at 30% (2 bath, 1,080/1,251 sq ft, \$223 rent). *Market rate units - one of the 3BR market rate units is the manager's unit; **Community building with multi-purpose room and large covered porch; ***Townhomes, covered rear patios on units, walking path with sitting areas, tot lot, computer lab, large open playing field (5,000 sq. ft+), covered pavilion with picnic, BBQ facilities; ****Water, sewer, trash pick-up.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate	4	1	0	NA	300
0.0%					
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	4	0		

Complex:
Lytell Turner Properties
W Broad Street
Lytell Calhoun
912-685-5678

Map Number: 2

Year Built:
Before 1980

Amenities	Appliances	Unit Features
<input type="checkbox"/> Laundry Facility	<input checked="" type="checkbox"/> Refrigerator	<input type="checkbox"/> Fireplace
<input type="checkbox"/> Tennis Court	<input checked="" type="checkbox"/> Range/Oven	<input type="checkbox"/> Utilities Included
<input type="checkbox"/> Swimming Pool	<input type="checkbox"/> Microwave Oven	<input checked="" type="checkbox"/> Furnished
<input type="checkbox"/> Club House	<input type="checkbox"/> Dishwasher	<input checked="" type="checkbox"/> Air Conditioning
<input type="checkbox"/> Garages	<input type="checkbox"/> Garbage Disposal	<input checked="" type="checkbox"/> Drapes/Blinds
<input type="checkbox"/> Playground	<input type="checkbox"/> W/D Connection	<input type="checkbox"/> Cable Pre-Wired
<input type="checkbox"/> Access/Security Gate	<input checked="" type="checkbox"/> Washer, Dryer	<input checked="" type="checkbox"/> Free Cable
<input type="checkbox"/> Fitness Center	<input type="checkbox"/> Ceiling Fan	<input type="checkbox"/> Free Internet
<input type="checkbox"/> Other	<input type="checkbox"/> Other	<input type="checkbox"/> Other

Last Rent Increase

Specials

Waiting List
No Waiting List

Subsidies
Conventional

Comments: *Water, cable; **Window unit.

No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio				
One-Bedroom				
1 BR vacancy rate				
Two-Bedroom				
2 BR vacancy rate				
Three-Bedroom				
3 BR vacancy rate				
Four-Bedroom				
4 BR vacancy rate				
TOTALS				
15				

Complex:Map Number: 3

Madie Greene
912-685-6396
Tammy Strickland (daughter)
912-685-6910

Year Built:

Before 1980

- Amenities

Laundry Facility

Tennis Court

Swimming Pool

Club House

Garages

Playground

Access/Security Gate

Fitness Center

Other
- Appliances

Refrigerator

Range/Oven

Microwave Oven

Dishwasher

Garbage Disposal

W/D Connection

Washer, Dryer

Ceiling Fan

Other
- Unit Features

Fireplace

Utilities Included

Furnished

Air Conditioning

Drapes/Blinds

Cable Pre-Wired

Free Cable

Free Internet

Other

Last Rent Increase

Specials

Waiting List

Subsidies

Comments: Scattered sites. Duplexes. Unable to obtain information.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom					
1 BR vacancy rate					
Two-Bedroom					
2 BR vacancy rate 0.0%					
	2*	1	0	NA	250
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	2	0		

Complex:

Terry Donaldson
Aline Avenue
912-685-6787

Map Number:

4

Year Built:

Before 1980

Last Rent Increase

May 2002 - \$25

Specials

Waiting List

WL=3 or 4

Subsidies

Conventional

Amenities

- ☐ Laundry Facility
- ☐ Tennis Court
- ☐ Swimming Pool
- ☐ Club House
- ☐ Garages
- ☐ Playground
- ☐ Access/Security Gate
- ☐ Fitness Center
- ☐ Other

Appliances

- ☐ Refrigerator
- ☐ Range/Oven
- ☐ Microwave Oven
- ☐ Dishwasher
- ☐ Garbage Disposal
- ☒ W/D Connection
- ☐ Washer, Dryer
- ☐ Ceiling Fan
- ☐ Other

Unit Features

- ☐ Fireplace
- ☐ Utilities Included
- ☐ Furnished
- ☐ Air Conditioning
- ☐ Drapes/Blinds
- ☒ Cable Pre-Wired
- ☐ Free Cable
- ☐ Free Internet
- ☐ Other

Comments: *1 Duplex. No furnishings.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	46	1	2	NA	BOI
1 BR vacancy rate	4.3%				
Two-Bedroom					
2 BR vacancy rate	0.0%				
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	3.8%	52	2		

Complex:

Windsor Apartments
198 Eldridge Street
Roy
912-685-3857

Map Number:

5

Year Built:

1993

Last Rent Increase

Specials

Waiting List

WL=1 or 2

Subsidies

Tax Credit, Sect. 515, RA=51
E/H/D

Amenities

<input checked="" type="checkbox"/>	Laundry Facility
<input type="checkbox"/>	Tennis Court
<input type="checkbox"/>	Swimming Pool
<input checked="" type="checkbox"/>	Club House
<input type="checkbox"/>	Garages
<input type="checkbox"/>	Playground
<input type="checkbox"/>	Access/Security Gate
<input type="checkbox"/>	Fitness Center
<input checked="" type="checkbox"/>	Other

Appliances

<input checked="" type="checkbox"/>	Refrigerator
<input checked="" type="checkbox"/>	Range/Oven
<input type="checkbox"/>	Microwave Oven
<input type="checkbox"/>	Dishwasher
<input type="checkbox"/>	Garbage Disposal
<input checked="" type="checkbox"/>	W/D Connection
<input type="checkbox"/>	Washer, Dryer
<input type="checkbox"/>	Ceiling Fan
<input type="checkbox"/>	Other

Unit Features

<input type="checkbox"/>	Fireplace
<input type="checkbox"/>	Utilities Included
<input type="checkbox"/>	Furnished
<input checked="" type="checkbox"/>	Air Conditioning
<input checked="" type="checkbox"/>	Drapes/Blinds
<input checked="" type="checkbox"/>	Cable Pre-Wired
<input type="checkbox"/>	Free Cable
<input type="checkbox"/>	Free Internet
<input type="checkbox"/>	Other

Comments: *Community room; **Gazebo.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	2	1	0	NA	BOI
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	0.0%				
Three-Bedroom					
3 BR vacancy rate					
Four-Bedroom					
4 BR vacancy rate					
TOTALS	0.0%	24	0		

Complex:

Candler Apartments
 FKA Colonial Villas
 400 Herschel Drive
 Denise
 912-685-4935

Map Number:**6****Year Built:**

1981
 1991
 1997

Amenities

_____ Laundry Facility
 _____ Tennis Court
 _____ Swimming Pool
 _____ Club House
 _____ Garages
 _____ Playground
 _____ Access/Security Gate
 _____ Fitness Center
 _____ * Other

Appliances

_____ ☒ Refrigerator
 _____ ☒ Range/Oven
 _____ Microwave Oven
 _____ Dishwasher
 _____ Garbage Disposal
 _____ ☒ W/D Connection
 _____ Washer, Dryer
 _____ Ceiling Fan
 _____ Other

Unit Features

_____ Fireplace
 _____ Utilities Included
 _____ Furnished
 _____ ☒ Air Conditioning
 _____ ☒ Drapes/Blinds
 _____ ☒ Cable Pre-Wired
 _____ Free Cable
 _____ Free Internet
 _____ Other

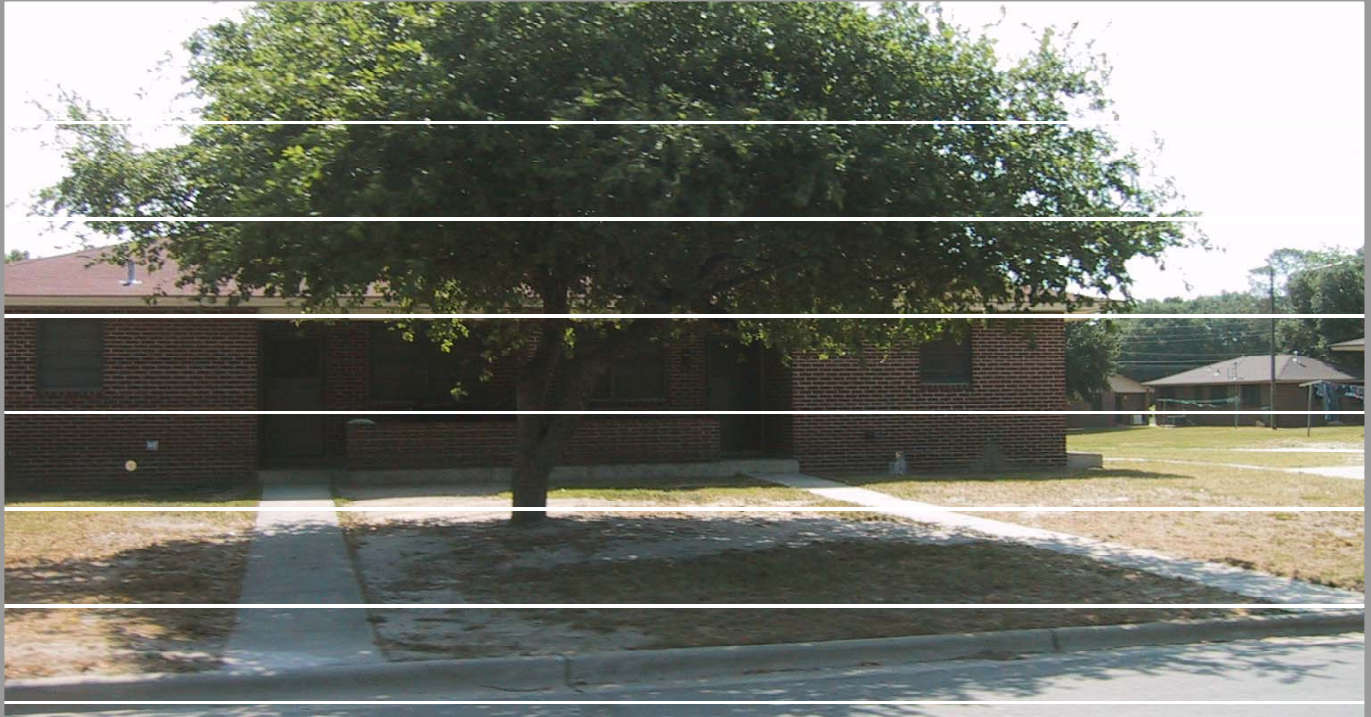
Last Rent Increase**Specials****Waiting List**

WL=4

Subsidies

Tax Credit 60%, Sect. 515
 RA=24

Comments: *Private patio/balcony.



	No. of Units	Baths	Vacant	Size (s.f.)	Rent
Efficiency/Studio					
One-Bedroom	42	1	0	NA	BOI
1 BR vacancy rate	0.0%				
Two-Bedroom					
2 BR vacancy rate	0.0%				
Three-Bedroom					
3 BR vacancy rate	0.0%				
Four-Bedroom					
4 BR vacancy rate	0.0%	2*	0	NA	BOI
TOTALS	0.0%	122	0		

Complex:

Housing Authority
Scattered Sites (4 Sites)
Valda
912-685-5377

Map Number:

7

Year Built:

Before 1972

Amenities

- ☐ Laundry Facility
- ☐ Tennis Court
- ☐ Swimming Pool
- ☐ Club House
- ☐ Garages
- ☐ Playground
- ☐ Access/Security Gate
- ☐ Fitness Center
- ☐ Other

Appliances

- ☒ Refrigerator
- ☒ Range/Oven
- ☐ Microwave Oven
- ☐ Dishwasher
- ☐ Garbage Disposal
- ☒ W/D Connection
- ☐ Washer, Dryer
- ☐ Ceiling Fan
- ☐ Other

Unit Features

- ☐ Fireplace
- ☐ Utilities Included
- ☐ Furnished
- ☒ Air Conditioning
- ☒ Drapes/Blinds
- ☐ Cable Pre-Wired
- ☐ Free Cable
- ☐ Free Internet
- ☐ Other

Last Rent Increase

Specials

Waiting List

WL=**

Subsidies

Public Housing

Comments: Housing Authority had been 90% vacant due to poor condition - all units have now been rehabilitated. *5BR units.

**Waiting list=10 to 11 for 1BR units, all other BR units have smaller waiting lists.

The table below shows selected comparable apartment complexes *without* rent subsidy in or near the market area:

Schedule of Rents, Number of Units and Vacancies for *Unassisted* Apartment Units

1-Bedroom Units			2-Bedroom Units			3-Bedroom Units		
Rents	Units	Vacancies	Rents	Units	Vacancies	Rents	Units	Vacancies
—	—	—	198	3	Subj. 30%	223	2	Subj. 30%
			250	2	0	418	10	Subj. 50%
			300	4	0	522	9	Subj. 60%
			365	10	Subj. 50%	661	3	Subj. Mkt.
			455	9	Subj. 60%			
			636	2	Subj. Mkt.			
Orange = Subject								
Vacancy Rate:		N/A			0.0%			N/A
Median Rent:		N/A			\$300			N/A

b = Basic rent; * = Average rent; r = Renovating; UC = Under Construction

Source: John Wall and Associates

It is interesting to note that, of the 6 apartments surveyed in the market area *without* rent subsidy (0 of the above apartments have project based rental assistance), there are 0 vacancies. This represents a vacancy rate of 0.0%. A vacancy rate of 5.0% is considered normal. There are 16 units (duplexes) that the manager would not release information about.

12.5 IMPACT OF THE SUBJECT ON EXISTING SUPPLY

The project would represent a 218% increase (22 units at present) in apartment units in the market. It would add 24 three bedroom units, where there are none now. There is not much of an existing supply to have an impact on.

13 INTERVIEWS

The following interviews were conducted regarding demand for the subject in Metter.

Lytell Calhoun, owner of Lytell Turner Properties (Map ID #2, Conventional), said there is not much industry in the area. She stated that there are many farm workers in Metter. Lytell mentioned that she receives calls from people in Statesboro looking for an apartment because rent is cheaper in Metter. She said the subject is proposing too many units. Also, the subject's rents are too high. The amount that someone would pay to live in the subject would be the same as a house payment. Lytell stated that the area where the subject is proposing to build is not a good location for apartments.

Roy, apartment manager of Windsor Apartments (Map ID #5, Tax Credit, Section 515, RA, E/H/D), had no opinion regarding the subject's proposed market rate units or rents. When asked about the need for three bedroom units, Roy mentioned that the Housing Authority offers three bedroom units but was uncertain if they were completely occupied.

Angie Conner, Town Clerk with the Town of Metter, said the subject's proposed site is in a good location because Martin Luther King, Jr. Boulevard is a heavily traveled road. She stated that the proposed market rate rents are compatible with other rents in town. Ms. Conner said two bedroom units are the most demanded in Metter, but there would be no problem renting the 22 proposed three bedroom units. She said Metter is in need of low income apartments as well as apartments in general. Overall, Ms. Conner said the project sounds like a good idea.

Sue Holland, Executive Secretary and Coordinator of the Metter Welcome Center, said there have been no significant job losses recently in Metter. She said there are two companies that are looking to move into the Metter area and that would bring about 75 jobs; the names of these potential newcomers could not be released. Ms. Holland said Candler County Hospital is constantly renovating and adding on to its existing facilities. She said the new high school is just completing its first year of operations, and some work is being done to the middle school. Ms. Holland also said major renovations are being done to the office building that houses the board of education. With regard to road projects, Ms. Holland said there is bridge repair work being done on Portal Highway and Salem Road.

14 CONCLUSIONS AND RECOMMENDATIONS

The subject proposes to enter a market that has very few units with a relatively large number of units, which would be expensive units. The project is too large, has rents that are too high, and it proposes too many three bedroom units.

Also see the EXECUTIVE SUMMARY at the front of the report.

14.1 PASS/FAIL DETERMINATION

☐ Pass

☒ Fail

15 REQUIRED SIGNED STATEMENT

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area, and the information derived from that inspection has been used in the full study of the need and demand for new rental units

To the best of my knowledge, the market **cannot** support the project, which has been shown in the study.

I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I affirm that I have no interest in the project. I have no relationship with the ownership entity that has not been disclosed to DCA in accordance with the certifications in the *Proposal for Market Studies*. My compensation is not contingent on this project being funded.

Submitted and attested to by:

John Wall, President

JOHN WALL and ASSOCIATES

Date

16 JOHN WALL — RÉSUMÉ

EXPERIENCE

16.1.1 PRESIDENT

JWA, Inc., Anderson, South Carolina (June, 1990 to Present)

JWA, Inc. is an information services company providing demographic and other types of data, as well as geographic information system services, mapping, and research to market analysts and other clients. JWA, Inc. is the licensing authority for the independent offices of John Wall & Associates. There are currently two such offices: Anderson, South Carolina and Cary, North Carolina.

16.1.2 PRESIDENT

John Wall & Associates, Anderson, South Carolina (December, 1982 to Present)

John Wall & Associates is a planning and design firm specializing in real estate market analysis and land development consultation. Initially the firm concentrated on work in the southeastern portion of the United States. In 1990, a second office was licensed in Cary, North Carolina, and both offices expanded their areas of work to the entire United States. John Wall & Associates (Anderson, South Carolina office) has completed over 1,800 market analyses, the majority of these being for apartment projects (both government and conventional). The firm has also done many other types of real estate market analyses; shopping center master plans; industrial park master plans; housing and demographic studies; land planning projects; site analysis; location analysis; and GIS projects. Clients have included private developers, government officials, syndicators, and lending institutions.

16.1.3 VISITING PROFESSOR OF SITE PLANNING (PART-TIME)

Clemson University College of Architecture, Planning Dept., Clemson, South Carolina (Spring 1985; Fall 1985; Spring 1986)

16.1.4 PLANNING DIRECTOR

Planning Department, City of Anderson, South Carolina (September, 1980 to December, 1982)

16.1.5 PLANNER II

Planning Department, City of Anderson, South Carolina (June, 1980 to September, 1980)

16.1.6 ASSISTANT DOWNTOWN PLANNER

Planning Department, City of Anderson, South Carolina (December, 1978 to June, 1980)

16.1.7 CARTOGRAPHER

Oconee County Tax Assessors' Office, Walhalla, South Carolina (October, 1976 to January, 1977)

16.1.8 ASSISTANT ENGINEER

American Concrete Pipe Association, Vienna, Virginia (January, 1969 to March, 1969)

EDUCATION

Real Estate Development, Harvard University, Cambridge, Massachusetts (July, 1989)
Fundamentals of Real Estate Finance, Harvard University, Cambridge, Massachusetts (July, 1989)
Management of Planning & Design Firms, Harvard University, Cambridge, Massachusetts (August, 1984)
Master of City & Regional Planning, Clemson University, Clemson, South Carolina (May, 1980)
BS Pre-Architecture, Clemson University, Clemson, South Carolina (May, 1978)
Graduate of Manlius Military Academy, Manlius, New York (June, 1965)

MILITARY

U.S. Navy, Interim Top Secret Clearance (April, 1969 to October, 1973; Honorable Discharge)

PERSONAL

DOB 8/3/46; Married, one child; US Citizen

17 STATEMENT OF QUALIFICATIONS

John Wall and Associates began in 1982 as a planning and design firm specializing in real estate market analysis and land development consultation. Initially, the firm concentrated on work in the Southeastern United States. In 1990, a second office was licensed in Cary, North Carolina, and both offices expanded their work to the entire United States.

John Wall and Associates (the Anderson office) has done over 2,000 market analyses, the majority of these being for apartment projects (conventional and government). However, the firm is equipped for, and has done many other types of real estate market analyses, shopping center master plans, industrial park master plans, housing and demographic studies, land planning projects, site analysis, location analysis and GIS projects. Clients include private developers, government officials, syndicators and lending institutions.

Prior to founding John Wall and Associates, Mr. Wall was the Planning Director for a city of 30,000 where he supervised the work of the Planning Department, including coordinating the activities of and making presentations to both the Planning & Zoning Commission and the Zoning Board of Adjustment & Appeals. His duties included site plan approval, subdivision review, annexation, downtown revitalization, land use mapping program, and negotiating realistic, workable solutions with various groups.

While in the public and private sectors, Mr. Wall served on the Appalachian Regional Council of Governments Planning and Economic Development Committee for more than 7 years.

Mr. Wall has also taught Site Analysis and Site Planning part-time at the graduate level for several semesters as a visiting professor at Clemson University College of Architecture, Planning Department.

Mr. Wall holds a Master's degree in City & Regional Planning and a BS degree in Pre-Architecture. In addition, he has studied at the Clemson College of Architecture Center for Building Research & Urban Studies at Genoa, Italy, and at Harvard University in the Management of Planning & Design Firms, Real Estate Finance and Real Estate Development.